

Cerep Reports Third Quarter Revenues

Paris, France, 13 November 1998 - Cerep SA (Nouveau Marché, CEREP), the French drug discovery company, today announced third quarter sales for the three-month period ended September 30, 1998.

Cerep reported third quarter sales of FF 13.3 million which is an increase of 23% compared to third quarter 1997. Nine-month period sales ended September 30, 1998 were FF 44.8 million, which is an increase of 50% over the same period ended September 30, 1997.

Thierry Jean, CEO, commented, "The 50% increase in sales are due essentially to Cerep's high throughput profiling activity, even though we observed a slight downturn in Asia. Due to the continuous development of the Company's expertise in combinatorial chemistry and the ever-increasing high quality and broad diversity of our chemical libraries, we are now in the position to renegotiate several commercial partnerships in this field. We believe that sales of chemical libraries will undoubtedly contribute significantly to our future revenues. We are confident that we will be able to conclude collaborative and multi-year fee-for-service deals in the coming months as negotiations are proceeding well on several fronts."

Cerep is a biotechnology company whose mission is to "bring intelligence to drug discovery" by developing technologies and tools that decrease the attrition rate of compounds at pre-clinical and clinical development stages. Cerep has developed an extensive R & D capacity in Europe and North America in the areas of high throughput profiling, lead development and screening, high throughput organic synthesis and computational chemistry. The Company has a unique business model combining highly profitable fee for service activities with long term collaborations in drug discovery. As part of its strategy, Cerep uses its fee for service activities to validate key parameters such as throughput, data quality and management along with scientific tool robustness and reliability for all major technology components of its drug discovery platform. Cerep signed its first corporate alliance with the pharmaceutical company, Sanofi, in December 1997.

Statements included in this press release which are not historical in nature are intended to be, and are hereby identified as, "forward-looking statements" for purposes of the safe harbour provided by Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by words including "anticipates", "believes", "intends", "estimates", "expects" and similar expressions. The company cautions readers that forward-looking statements, including without limitation those relating to the company's future operations and business prospects, are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements. Factors that may affect future operations and business prospects include, but are not limited to, clinical and scientific results and developments concerning corporate collaborations and the company's proprietary rights and other factors described in the prospectus relating to the company's recent public offering.